

Interview



Matthew Whitman Lazenby

The World's Number-One Shopping Center

An Interview with Matthew Whitman Lazenby, President and Chief Executive Officer, Whitman Family Development, LLC

EDITORS' NOTE *Matthew Whitman Lazenby is the fourth-generation leader in the family-owned business that began developing commercial real estate in Miami in the early 20th century. Before joining his uncle, Randall Whitman, and grandfather, Stanley Whitman, as a leasing agent at Bal Harbour Shops in 2003, Lazenby had been employed by Robert K. Futterman & Associates. Lazenby had also been a leasing agent for The Taubman Company. At Bal Harbour Shops, Lazenby soon rose to Director of Leasing/General Partner and then to Operating Partner. In 2013, Lazenby was named President and CEO of Whitman Family Development. Lazenby holds a master's degree in real estate development and urbanism from the University of Miami and an undergraduate degree in English literature from the University of North Carolina at Chapel Hill.*

COMPANY BRIEF *Whitman Family Development (whitmanfamilydevelopment.com) is a family-owned, diversified real estate development, management, and leasing company specializing in retail and headquartered in Miami Beach, Florida. Among other interests, Whitman Family Development is the developer, owner, and operator of the acclaimed Bal Harbour Shops, ranked the world's number-one most productive shopping center by the International Council of Shopping Centers, and is the co-developer of the retail components of Miami's Brickell City Centre.*

Would you provide an overview of the history of Whitman Family Development and how the organization has evolved?

Whitman Family Development conceptually began with my great-grandfather, who moved down to Miami Beach from Chicago around 1912. He was a printer in Chicago who moved to Miami Beach in his 60s, and started to dabble in real estate acquiring a few buildings on Lincoln Road.

My 95-year-old grandfather, Stanley Whitman, who later went on to develop Bal Harbour Shops, remembers that in the '30s and '40s, Lincoln Road

was the epitome of luxury and retail in the entire state of Florida. The family's first experience as a landlord to high-end retailers began on Lincoln Road at that time.

In those days, my grandfather saw that, while there were some affluent locals who spent time and money on Lincoln Road, the sales in those stores were predominantly generated by tourists.

Lincoln Road started to change a bit around 1950, when some stores moved off of the street. Some luxury merchants started to decamp to what was becoming a booming luxury market on Worth Avenue in Palm Beach.

My grandfather saw an opportunity to keep many of those stores in Dade County, so he opened Bal Harbour Shops in 1965. He always envisioned Lincoln Road as the model for Bal Harbour Shops, just under the ownership and direction of one entity.

For almost 50 years, our company was essentially a one-trick pony. In 2012, we partnered with Swire Properties on the development of Brickell City Centre in the Brickell area of downtown Miami. As we became involved with that project, it became clear that trying to transplant Bal Harbour Shops to Brickell City Centre was confusing, since its current location was so well known. This led to our creation of the entity called Whitman Family Development because of that heritage.

What has been the secret to the company's success?

At day's end, shopping centers are shopping centers – landlords build buildings and try to create massive parking around some heavily trafficked streets, and they offer stores they hope the customers want. When you see it like that, they are all the same.

When I use the word "mall" with a long-time customer or tenant, faces start cringing and people get angry. What separates Bal Harbour Shops from other malls is the fact that there is a feeling of uniqueness. There is a storied attempt by three generations of my family to create an experience that is all about the customer. This is evident from the time they drive onto our property and begin to look for a parking space – the spaces are wider than they typically are elsewhere and are angled in such a way that the experience is pleasant. We were one of the first shopping centers to have structured parking. It provides shelter from inclement weather and, when you vertically

stack your parking, it makes the number of spaces that are proximate to your stores more numerous.

At day's end, what draws people to Bal Harbour Shops is an affinity with the brands. We have been careful over our 50 years to curate the stores we offer our customers in a way that we hope is broadly responsive to what they want. They vote for what they want every day that they show up and buy something. We're very proud of our tenants and the fact that the International Council of Shopping Centers has said we're the number-one shopping center in the entire world in terms of productivity.

What opportunities are there to expand Bal Harbour Shops?

This is very much a family affair. It has taken on various forms throughout its history. In its present incarnation, it's at its most refined point.

Around 20 years ago, our tenants were telling us that they wanted more space, and that they would enjoy more success with more space. Probably 10 years ago, they were telling us they needed more space. And five years ago, it was overdue. We wished we could have opened this expansion sooner, but the Village of Bal Harbour, being a small and mature community, naturally wanted to be very involved in the evolution of the design. Since we are seeking to expand onto publicly owned land where the village hall now sits, it takes a lot of careful and thoughtful interaction with the community in terms of building new village halls, where they might be located, and doing a master re-plan of what is already a gorgeous and compelling community.

So the expansion has been a long time coming and it's a necessity.

Is Bal Harbour Shops for the high-end luxury customer or is it broader?

We can gauge how well we're giving the customer what he wants by looking at the sales our stores generate. If we are in fact that number-one shopping center in the world, then we are creating that compelling environment and experience, which is giving the people what they want.

In this 24/7 world, where it's easy to shop from home, you have to create a special place to which people connect to succeed. For more than 50 years, Bal Harbour Shops has managed to do that in a way that is profound and we're so very proud of that. ●